

~~CONFIDENTIAL~~9th April, 1959COCOM Document No. 3475BCOORDINATING COMMITTEERECORD OF DISCUSSIONONTHE EXPORT OF CABLES TO THE U.S.S.R.23rd March, 1959

Present: Belgium (Luxembourg), Canada, France, Germany, Italy, Japan, Netherlands, Norway, Turkey, United Kingdom, United States.

References: COCOM Documents 3436 and Addendum, 3444, 3450, 3451, 3452, 3464, 3470, 3472 and 3474.

1. The CHAIRMAN invited the French Delegate to inform the Committee of the result of the recent consultations carried out by his Government on the subject of the export of cables to the U.S.S.R.
2. The FRENCH Delegate stated that his Government, as a result of approaches from various sources, had again consulted experts from the Ministries of Industry and National Defence and from the S.N.C.F. These experts had confirmed their earlier conclusion. Although it was correct that the cables concerned might be used in part for communications, their special characteristics had led the experts to consider that such an eventuality would be highly improbable in peace-time and that those railway signalling cables were in fact covered by Item 4481. The French Government had decided not to change their position; although they undertook not to grant any new licences for the export of material of this type before the Committee should have reached unanimous agreement on the interpretation of Items 1526 and 4481, they felt unable to rescind the authorisation they had already granted.
3. The UNITED KINGDOM Delegate expressed considerable disappointment over the French Delegate's statement. The United Kingdom Government did not consider that there could be any doubt as to the coverage of Item 1526, but they felt that if there was a risk of misunderstanding as regards Item 4481, the latter should certainly be amended. The Delegate stated the belief that the enquiries which the Russians had addressed to various Member Governments indicated clearly that all the cables involved were covered by Item 1526 and that in consequence no deliveries to the Soviet Bloc should be authorised.
4. The FRENCH Delegate stated that there would be no point in reiterating the technical arguments which had been brought forward by his Delegation and which were recorded in paragraphs 7 and 8 of COCOM Document 3452. He would however refer to one matter. A certain French company had received enquiries from the Russians as to the supply of 500 to 600 kilometres of cables having the following characteristics: 7 quads 12/10 mm, insulated with plastic materials, under a sheathing of lead or aluminium and armour, with a reduction factor of 0.07 between 50 and 100 volts. The French authorities had considered that, although apparently intended for use along a railway line, these cables could be used as long distance telephone cables: the application had therefore been refused.

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5. The UNITED STATES Delegate, upon instructions from his Government, wished to state that the United States Government viewed with concern the announcement just made by the French Delegate. They were profoundly disappointed to learn that the Government of France was unwilling either to delay or to withdraw its permission for the export of this highly strategic communications cable to the Soviet Union. The United States was the more concerned in the light of the fact that every other Participating Country, except for Belgium, was convinced that the cable in question was embargoed by International List Item 1526. Moreover, prior to the announcement concerning the French licensing action, even the Belgian Government apparently had no doubt on this score. The statement of the French Delegate that the cable involved lacked strategic characteristics and technical argument to support this conclusion seemed to have little application to the issue involved in this case inasmuch as it seemed to have been clearly established that the cable in question came within the terms of the definition of Item 1526 and was thus embargoed to the Soviet Bloc. The Delegate was instructed to inform the Committee that, in view of the French announcement, all Participating Governments should anticipate that further steps would be taken by the Government of the United States. The Delegate stated that he would be less than candid if he did not voice the scepticism with which his authorities viewed the contention that the licence could not be suspended or withdrawn. He reminded the Committee that the French authorities did not give their preliminary approval for this manufacture until February 28th and that the United States Delegation had requested a delay in the licensing during the Coordinating Committee's meeting of March 4th - only three working days after the pre-licence had been granted. It was inconceivable that in that brief period of time the cable manufacturer could have incurred any significant financial obligations for raw materials or labour. The Delegate also reminded the Committee that there was every reason to believe, in the light of the statements made in the Committee, that the whole cable producing community had been aware of the French action and that the French company concerned knew that other Participating Countries, given similar export possibilities (and even more lucrative ones than that offered to the French manufacturer), had refused to license this cable because of its embargo status.

6. Despite the French decision, the United States authorities did not believe that there was any justification for other Member Countries to violate the embargo as well. It was inconceivable to his authorities that any Participating Country would knowingly ship such highly strategic material to the Soviet Bloc, whatever the extent of domestic commercial pressures. Failure by one member to observe agreed procedures could not justify the abandonment of the embargo by others. Apart from the damage done to the principles of the Coordinating Committee, it was serious from the strategic point of view that one member should provide such a large quantity of a vital strategic commodity to the Soviet Union. The strategic harm would obviously be aggravated if greater quantities were made available. The Delegate invited particular attention, in this connection, to the memorandum submitted to the Committee that day by his Delegation (COCOM Document 3472) in which more detailed information was given concerning the strategic application of this cable. The United States authorities, therefore, urged that other Member Governments exercise the utmost restraint in determining their own actions in the light of the French decision. Specifically, the Delegate wished to propose that all Member Governments agree that, despite the French action, no further licences for the export of this embargoed type of cable to the Sino-Soviet Bloc would be authorised. Such an agreement would seem to be imperative if the integrity of the Committee's actions and obligations assumed by all Member Governments was to be maintained.

7. The TURKISH Delegate stated that, in view of the strategic significance of these cables, his Government favoured their retention under embargo; he pointed out that the Turkish Delegation had always advocated the placing of all cables under embargo.

8. The NETHERLANDS Delegate, recalling that, in the view of the experts consulted by his Government, the cables in question were covered by Item 1526, stated that the Coordinating Committee's fundamental principles would be seriously prejudiced by exports of this material. It would thus be necessary to carry out an urgent revision of the two items involved and, in the meantime, to suspend all exports of such a nature.

9. The CANADIAN Delegate stated that his Government were continuing the technical examination of this matter. Their chief concern was the question of the definition; they believed that a distinction should be drawn between the various principal uses of the cables. The Canadian Government would view with grave disquiet any action which would prejudice the objective discussion of the problem or the maintenance by the participating countries of a common front in face of the Soviet Bloc.
10. The JAPANESE Delegate recalled the circumstances of the retention of Item 1526 under embargo at the time of the List review. The Japanese authorities had not then been convinced as to the high strategic significance of the products covered by Item 1526, but in the final stage of the review they had nevertheless, as a concession forming part of a general compromise, accepted its inclusion in List I. This item appeared on the embargo list at present and therefore the Japanese Delegation were unable to concur in the interpretation which had been given by the French Government and which had caused the current difficulties. The Delegate regretted that the French Government had not been able to cancel their decision, because, as similar orders had been offered to Japanese firms, the Japanese Government would be under heavy attack if they refused to grant the required licences.
11. The Delegate stated that he had noted with interest the view expressed by the German Delegation in the meeting held on the 18th March (COCOM Document 3470) to the effect that the cables in question, although conforming to the letter of Item 1526, did not correspond to the spirit of that item. The German Delegation had moreover proposed during the meeting of the 19th March (COCOM Document 3474) that in order to safeguard international cooperation in the field of strategic controls Member Governments should refrain from authorising new exports of those cables until after discussion of this matter in the Committee. The Japanese Government, after a careful examination of the present position, had decided to fall in with the German proposal and considered this to be the maximum they could do in existing circumstances.
12. The ITALIAN Delegate pointed out that the Committee was faced with a situation whose importance and complexity would be clear to all. Its principal factors were the following: two items, one on the Embargo List and one on the Watch List, dealt with cables, since any modern railway signalling system normally included communications cable; were these latter of the type whose export had been authorised by the French Government or did they possess different characteristics? It would be for the Committee to decide this point after a comprehensive technical examination. Two Delegations had already indicated what cables, in their view, were not caught by Item 1526. Other Delegations, and among them the Italian Delegation, without having taken a position on this point, considered that certain cables, without any doubt, were covered by Item 4481. Finally, still other Delegations held that all cables were caught by Item 1526. In view of the divergent interpretations given to the coverage of Item 4481, it seemed essential to try to reach a unanimous reading of the coverage of every item on the International Lists, as failing this each Member Government would follow its own criteria. The Italian Delegation believed that an Interpretative Note should be drawn up to provide all the necessary indications for a uniform understanding of Item 4481, as had already been done in the case of other items whose scope might be interpreted differently by different Member Governments. This task could be carried out by the Technical Sub-Committee which would meet on the 13th April.
13. As to the particular case under examination, the Italian authorities would have been quite prepared to give a very broad interpretation to Item 1526 as a provisional measure and to take no final decision, had a similar attitude been adopted by all the countries represented in the Committee. The French Delegation, however, had just announced that their Government were unable to revoke their decision and the Belgian Delegation had reserved the right to grant export licences for the same cable, which in their view was not covered by List I. The Delegate stated in this context that he associated himself with his German colleague's statement, reported in paragraph 9 of COCOM Document 3470, to the effect that "Any difference in the application of the embargo rules by individual Member Countries would lead to a de facto discrimination against the manufacturers of those countries which interpreted the embargo controls more restrictively than others". In conclusion, he informed the Committee that the Italian Government would only take a final decision in this matter during the following week.

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14. The GERMAN Delegate pointed out that the proposal for a waiting period which his Delegation had submitted during the previous meeting was conditional upon the adoption by the other Member Governments of an attitude identical to that of the German Government.

15. The NORWEGIAN Delegate associated himself with the remarks of his Canadian colleague and stressed the need to suspend any new exports of this material until the Committee should have agreed a uniform interpretation of the two items involved.

16. In reply to a question by the United Kingdom Delegate, the BELGIAN Delegate explained that in "reserving" their position, his Government intended to reserve the right to grant a licence. Nevertheless, according to his latest instructions, which had just arrived, it appeared that the Belgian authorities intended to consider the German proposal afresh and would send him their instructions in the course of the week. The Delegate would not fail to pass the information to the Secretariat.

17. The UNITED STATES Delegate urged the members of the Committee to give careful study to his Government's memorandum (COCOM Document 3472) and to the statement he had just made. Despite the reply given that day by the French Delegation, the Delegate continued to hope that, as long as no export had actually taken place, it would be possible for the French Government to reconsider their position. The United States Delegation, moreover, were most favourably inclined towards the German proposal for a waiting period and hoped very much that the two Delegations who were at present reserving their position would be able to join the majority and accept that proposal.

18. The FRENCH Delegate desired to answer his United States colleague's remarks as to the brief period of time which had elapsed between the granting of the licence and the start of production of the cables. He again laid stress on the fact that the matter involved had been submitted to the competent services three months previously; moreover, the necessary stocks of copper had been ready for purchase and, in view of the fluctuations affecting the market for this product, the company concerned had bought the metal by cable immediately they had received the authorisation. The Delegate said that, although he could not specify the exact date on which production of the cables had started, he was able to confirm that they were now in course of production.

19. Turning to paragraph 6 of the United States Memorandum, the Delegate explained that the authorisation given by the French Government concerned the supply of railway signalling and telecommand cables made up of 12 quads 105/100 mm of which 6 were loaded at 140/83 mH every 1700 metres, plus three quads 9/10 mm whose capacity was not stipulated, and five 9/10 mm conductors. According to the United States Delegation, this make-up in quads was characteristic of communications cables and not of railway cables. The Delegate wished however to point out that, exclusively for railway control systems, the S.N.C.F., on the Paris-Lille and Paris-Strasbourg lines, used cables having 33 and 37 quads; in the Eastern suburbs of Paris, they used cables going up to 51 quads. The Delegate then analysed the make-up of the cables having 37 quads, which was as follows: 28 9/10 mm loaded quads, five 12/10 mm star quads, one 9/10 mm star quad and three 12/10 mm quads (the last nine quads not being loaded). As to the protection, the Delegate reminded the Committee that the cables on order were insulated with plastic materials and included a watertight sheathing of lead or aluminium, and that the Russian specifications were very strict as to the limitation of the effects of induction. In these circumstances, it was difficult to see why the Russians would call for needlessly expensive and even troublesome characteristics if it was their intention to use the cables for purposes other than railway signalling.

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20. The UNITED STATES Delegate expressed the view that the French Delegation were evading the issue when they attempted to justify this export on technical grounds. The Memorandum submitted by the United States Delegation that day (COCOM Document 3472) had not been submitted for the purpose of presenting technical arguments. Certain very important information, however, concerning the probable military use to which the Soviets would put this cable, if obtained, was contained in that Memorandum and the Delegate once again urged a careful reading thereof by all Delegations. Certain technical views concerning this cable had, moreover, been submitted by the United States Delegation in an earlier Memorandum, COCOM Document 3464. Sight should not be lost, however, of the major issue, which was whether or not this cable was included under Item 1526, and thus embargoed. The United States Delegation had previously established that this cable was so included, even under the terms of the most authentic available French definition (COCOM Document 3470, paragraph 22), and the overwhelming majority of the Committee seemed to have no doubt as to the embargo character of the cable. Since the French Delegation had, however, raised certain technical points, the United States Delegation wished to make some observations in response thereto.

21. The Delegate recalled that detailed studies carried out by the United States intelligence services had made it clear that the U.S.S.R. were suffering from a shortage of communications cables which was affecting the realisation of their priority military programmes. While not denying that they might be used for servicing a railway line, the Delegate stressed the fact that, as indicated by COCOM Document 3472, the cables involved in the present instance had a higher capacity than that of the cables used for railway lines in the United States. Moreover, the fact that certain quads were loaded and others not could only be determined by the user at the time of the installation and the United States authorities preferred to base their judgment upon the inherent characteristics of the cables, such as the conductor diameters, the type of insulation, the arrangement in quads and the capacitance, rather than upon the claims made by the Russians; those characteristics alone could not be modified by the user. The example of the cables used to equip the Paris-Strasbourg line did not seem convincing, for 28 of the quads were loaded and therefore limited in their channel capacity; only 9 of the quads were star quads which when used with carrier frequency equipment permit a greatly increased number of channels. The Soviet cable ordered in Belgium, however, consisted of 14 star quads capable of providing between 168 voice channels and 2000 teletype channels. These cables therefore were inherently larger in capacity than the S.N.C.F. cables, although the latter had more conductors. Moreover, the catalogue of one of the most important European cable companies included carrier frequency cables whose specifications corresponded exactly to those of the cables called for by the Russians. As to the protection of the cables, two factors should be examined separately: first, the lead outer cover intended to protect the cable from the weather and from animals and which was often found in any outdoor communications cable; and on the other hand the sheathing of aluminium or of copper, intended to protect the cable from external electric currents liable to affect transmission. This electrical shielding requested by the Russians was a normal characteristic of communications cable installed alongside and parallel to high tension lines or electrified railway lines. It would not however be at all out of the ordinary to find communications cable installed along railway lines; in certain regions, such as Siberia, such proximity was even a necessity to allow of adequate upkeep. The Delegate added in conclusion that cables of this type were less subject to interference from magnetic storms than other lines or radio-transmission systems.

22. The ITALIAN Delegate having asked the experts present if in practice a railway signalling system could be made to work without cables, the FRENCH Delegate stated that in France there existed combinations of cables and electro-mechanical or electro-magnetic systems. The UNITED STATES Delegate stated that it was also possible to use micro-wave systems. The ITALIAN Delegate having furthermore indicated that in his view the load was an inherent characteristic of a cable, the UNITED STATES Delegate stated that on the contrary the load was the result of an external operation.

23. The GERMAN Delegate, noting that the Committee had been completely absorbed in the study of the present situation, said that he felt it his duty to draw attention to the cases still pending, which were scheduled for discussion early in April. There was a German case, an Italian case and a Japanese case, in addition to a Belgian request which had been withdrawn but which might perhaps be re-submitted. He reminded the Committee that, although the United Kingdom Delegation had not submitted an exception request, enquiries had also been sent by the Soviet Union to British companies. The Delegate pointed out that, although believing that the cables involved were covered by Item 1526, the German authorities considered that it would be justifiable to authorise exceptions on the grounds of the technical characteristics of the cables and their harmless end-use. The Delegate invited Delegations who had so far opposed the export of these cables to reconsider their position, if not for the whole of the quantity asked for, then at least up to a limit of 450 kilometres for each country submitting a request.
24. The UNITED KINGDOM Delegate pointed out that the Delegations believing these cables to lie outside the scope of Item 1526, should, if they wished for a discussion to take place within a reasonable time, take urgent steps to submit proposals for amendment of the definitions involved, together with arguments in support of their suggestions.
25. The ITALIAN Delegate stated that his Delegation had not submitted an exception request but had informed the Committee of the enquiries sent to Italian industrial circles. As the object of the German proposal was to guarantee uniform treatment for the various requests, the Delegate welcomed it and undertook to recommend it to his Government.
26. The UNITED STATES Delegate enquired as to which Member Countries the German Delegate envisaged would be eligible to participate in the German proposal for granting exceptions requests. He invited the Committee's attention in this connection to the fact that this entire matter had originated with a Belgian request for an exception. Subsequently, memoranda had been submitted by the German and Italian Delegations requesting consideration of their cases in connection with the Belgian case. The original Belgian Memorandum had, in the meantime, been withdrawn by the Belgian Delegation. In the view of the United States Delegation, there was no request for an exception to export cable pending before the Committee at this time which would qualify as a proper submission under any of the Committee's agreed exceptions procedures.
27. The GERMAN Delegate, in reply to his United States colleague, stated that his Delegation's memorandum (COCOM Document 3450) should be considered as an official exception request submitted on an ad hoc basis; further details, moreover, had been supplied to the Committee in the course of the meeting on the 18th March (see COCOM Document 3470). ~~At the request of the United States Delegate, The Delegate undertook to submit his Government's case to the Committee officially once again.~~
28. The ITALIAN Delegate stated that he had received no instructions to submit an official request, but he confirmed that his authorities were counting upon the Committee's granting absolute parity of treatment to all the interested countries.
29. The JAPANESE Delegate stated that when he had accepted the proposal for a waiting period submitted by the German Delegation, he had considered that the question of the requests would be taken up again at the time of the revision of Item 1526 and that it would be superfluous to submit a request within the framework of the exceptions procedures. The Japanese Delegation had already indicated that orders had been proposed by the U.S.S.R. to Japanese firms and that, should Delegations wish to obtain additional details, the Japanese Delegation would be prepared to give the answers, but did not propose to submit an official request. As to the German proposal to set a limit of 450 kilometres for the various exports which might be authorised, the Delegate undertook to recommend this to his Government for favourable consideration.

30. The CHAIRMAN noted that the German proposal for the observance of a waiting period seemed to have met with general agreement in the Committee, save in the case of two Delegations, who had undertaken to make known their final replies shortly. Should these be in the negative, other Delegations would draw their own conclusions. Then the Committee had received a German exception request, for which a discussion date should be set. Lastly, there was the question of the amendment to Items 1526 and 4481: the Chairman suggested that, without waiting for the proposals which might be submitted, the Committee might as a first step try to clarify the scope of the present definitions.

31. The GERMAN Delegate stated that he would be glad to receive Governments' replies to his request by the 13th April at the latest.

32. The COMMITTEE agreed to place this question on its agenda for the April 13th meeting and, on the same date, to discuss the scope of Items 1526 and 4481, together with a possible prolongation of the waiting period. As to a possible amendment of the two items referred to, it appeared desirable to wait until proposals had been submitted before setting a date for their discussion.

33. On the 26th March, the BELGIAN Delegation informed the Secretariat that their Government were prepared to hold up the grant of the licence they had been asked for until the Committee should have concluded the discussion concerning the amendment of Items 1526 and 4481. This decision had naturally been taken subject to the condition that other participating countries adopted the same attitude.

34. On the same date, 26th March, the ITALIAN Delegation informed the Secretariat that his Government were prepared to agree to the German proposal and that, in a spirit of compromise and taking account of the position of the other interested Governments, they would hold up the grant of any licence involving the cables in question until after the revision of Items 1526 and 4481. The Italian Delegation reserved the right to take an active part in the discussions concerning the amendment of the definitions of these items so as to secure unanimous interpretation of their scope and thus avoid all discrimination of a commercial nature between participating countries.